

# ARVEST<sup>®</sup> BANK

REGISTRATION NO. 29961 FILED

NOV 02 '11 - 10 45 AM

SURFACE TRANSPORTATION BOARD

October 14, 2011

Chief  
Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301 (a) are one (1) original and one (1) verified copy of the following secondary document: a Memorandum of Security Agreement, dated October 14, 2011. This document relates to the primary document being filed of even date herewith as Assignments of Leases, Rents, and Chattel Paper dated October 14, 2011.

The names and addresses of the parties to the enclosed documents are:

Debtor: Everest Railcar Services, Inc  
2704 S.E. Otis Corley Drive Suite 4  
Bentonville, AR 72712

Secured Party: Arvest Bank  
5201 Village Parkway  
P.O. Box 809  
Rogers, AR 72757

A description of the railroad equipment covered by the enclosed documents are forty-one (41) rail cars as more particularly described on Exhibit A attached hereto and made a part hereof.

A short summary of the document to appear in the index as follows: Security Agreement of forty-one (41) railcars of various types and numbers as more particularly described on the exhibit attached to this document.

Enclosed in a check in the amount of \$ 41.00 payable to the order of Surface Transportation Board covering the required recordation fee:

Please return a stamped copy of one of the enclosed documents to:

Tomek Siwiec

Arvest Bank  
5201 Village Parkway  
P.O. Box 809  
Rogers, AR 72757-0809

Very Truly Yours,

Arvest Bank

BY: 

Tomek Siwiec

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## MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT, dated as of October 14, 2011, by and between ARVEST BANK ("Secured Party") and EVEREST RAILCAR SERVICES, INC., an Arkansas corporation ("Debtor"), is made with reference to the following:

1. Secured Party has agreed to make available to Borrower a loan secured under a certain Security Agreement (the "Security Agreement") and Assignment of Chattel Paper (the "Assignment"), dated as of the date hereof, executed by Debtor for the benefit of Secured Party.
2. Pursuant to the Security Agreement and the Assignment, Debtor granted to Secured Party a security interest in all of Debtors' right, title and interest in and to inventory consisting of forty one (41) railcars described in details in the Exhibit A attached hereto, inclusive, and all replacements, exchanges and substitutions for, and all modifications, additions, attachments, accessories and accessions to, all or any of such railcars, together with all leases and utilization agreements with respect to such railcars and all rents and other amounts payable thereunder or in connection therewith and all chattel paper, accounts and security deposits relating thereto, and all records relating in any way to the foregoing (including, without limitation, any computer software, whether on tape, disk, card, strip, cartridge or any other form).
3. The Security Agreement and the Assignment shall be effective as of the date hereof.

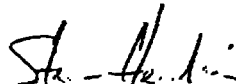
This Memorandum of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one Memorandum of Security Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this memorandum of Security Agreement to be executed by its duly authorized officer as of the date first above written.

SECURED PARTY:  
ARVEST BANK

DEBTOR:  
EVEREST RAILCAR SERVICES, INC.

By:   
Name: Tomek Siwiec  
Title: VP, Commercial Banker

By:   
Name: Steven J. Hendricks  
Title: President

**ACKNOWLEDGEMENT**

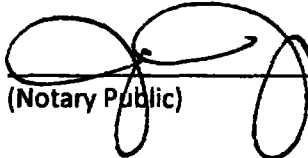
(Business or Entity)

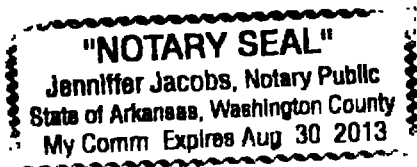
State of Arkansas, County of Benton ss.

On this 14<sup>th</sup> Day of October, 2011 before me, Jennifer Jacobs, the undersigned officer, personally appeared Steven J. Hendricks, who acknowledged himself to be the President of Everest Railcar Services, Inc, a corporation, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes and consideration therein contained, by signing the name of the business or entity as such officers.

In witness whereof, I hereunto set my hand and official seal.

My commission expires: 8/31/13

  
(Notary Public)



**Exhibit 'A'**  
**Description of the Railcars**

|                                       |  |
|---------------------------------------|--|
| <b>Borrower/Debtor/Record Owner:</b>  | <b>EVEREST RAILCAR SERVICES, INC.</b><br><b>an Arkansas Corporation</b><br><b>2704 S.E. Otis Corley Drive, Suite 4</b><br><b>Bentonville, Arkansas 72712</b> |
| <b>Lender/Secured Party/Creditor:</b> | <b>Arvest Bank</b><br><b>5201 Village Parkway</b><br><b>P.O. Box 809</b><br><b>Rogers, AR 72757</b>  |

| Car Number | Description               | Year Built |
|------------|---------------------------|------------|
| CAGY 2290  | Mill Gondola              | 1982       |
| CAGY 2291  | Mill Gondola              | 1982       |
| CAGY 2292  | Mill Gondola              | 1983       |
| CAGY 2293  | Mill Gondola              | 1979       |
| CAGY 2294  | Mill Gondola              | 1978       |
| CAGY 2295  | Mill Gondola              | 1979       |
| CAGY 2296  | Mill Gondola              | 1978       |
| CAGY 2297  | Mill Gondola              | 1982       |
| EAMX 143   | Small Cube Covered Hopper | 1990       |
| EAMX 474   | High Sided Gondola        | 1981       |
| EAMX 475   | High Sided Gondola        | 1981       |
| EAMX 476   | High Sided Gondola        | 1981       |
| EAMX 477   | High Sided Gondola        | 1981       |
| EAMX 478   | High Sided Gondola        | 1979       |
| EAMX 779   | High Sided Gondola        | 1979       |
| EAMX 480   | High Sided Gondola        | 1979       |
| EAMX 481   | High Sided Gondola        | 1979       |
| EAMX 482   | High Sided Gondola        | 1979       |
| EAMX 54015 | Flat Car                  | 1980       |
| EAMX 54018 | Flat Car                  | 1980       |
| HWCX 1320  | Covered Hopper            | 1975       |
| HWCX 1321  | Covered Hopper            | 1975       |
| HWCX 1322  | Covered Hopper            | 1979       |
| HWCX 1323  | Covered Hopper            | 1974       |
| HWCX 1324  | Covered Hopper            | 1974       |
| HWCX 1325  | Covered Hopper            | 1979       |
| HWCX 1326  | Covered Hopper            | 1978       |

|      |      |                |      |
|------|------|----------------|------|
| HWCX | 1327 | Covered Hopper | 1975 |
| HWCX | 1328 | Covered Hopper | 1978 |
| HWCX | 1329 | Covered Hopper | 1975 |
| HWCX | 1330 | Covered Hopper | 1975 |
| HWCX | 1331 | Covered Hopper | 1978 |
| HWCX | 1332 | Covered Hopper | 1978 |
| HWCX | 1333 | Covered Hopper | 1978 |
| HWCX | 1300 | Covered Hopper | 1974 |
| HWCX | 1302 | Covered Hopper | 1974 |
| HWCX | 1303 | Covered Hopper | 1974 |
| HWCX | 1304 | Covered Hopper | 1974 |
| HWCX | 1208 | Covered Hopper | 1971 |
| HWCX | 1209 | Covered Hopper | 1971 |
| HWCX | 1210 | Covered Hopper | 1971 |